

Introduced: Ms. Davis  
1<sup>st</sup> Reading: November 26, 2007  
Passed: December 10, 2007  
Posted: December 11, 2007  
Effective: December 10, 2007

### ORDINANCE NUMBER 1293

AN ORDINANCE TO AMEND CHAPTER 19, "TAXATION," OF THE GREENBELT CITY CODE IN ORDER TO REPEAL AND REENACT WITH AMENDMENTS SECTION 19-1 FOR THE PURPOSE OF ESTABLISHING A CITY HOMEOWNERS' PROPERTY TAX CREDIT PROGRAM INDEXED TO THE STATE OF MARYLAND'S HOMEOWNERS' PROPERTY TAX CREDIT PROGRAM

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WHEREAS, the City Council wishes to establish a real property tax credit program to benefit homeowners of limited income who reside within the corporate limits; and

WHEREAS, under the Tax-Property Article, Section 9-104 of the Annotated Code of the Public General Laws of Maryland (2007 Replacement Volume), the State conducts a Homeowners' Property Tax Credit program that provides a credit for the real property tax bill of homeowners of all ages who qualify on the basis of gross household income; and

WHEREAS, at its October 22, 2007, regular meeting, the Greenbelt City Council voted unanimously to approve the establishment of a City program indexed to the definitions, criteria for eligibility, restrictions, application and other procedures of the State program to provide a further credit equal to 25% of the amount of the State credit to those homeowners receiving the State credit, with that percentage to be subject to modification from time to time; and

WHEREAS, Section 19-1 of the Greenbelt City Code currently defines a tax credit program that was established in 1967, based on disability and income, which has been outdated for many years and is limited to a maximum income of \$7,500. NOW, THEREFORE,

BE IT ORDAINED by the Council of the City of Greenbelt, Maryland, that Chapter 19 of the City Code be amended to read as follows:

## **Chapter 19**

### **TAXATION**

#### **ARTICLE I. IN GENERAL**

##### **Sec. 19-1. Tax credit for certain homeowners by reason of ~~disability and~~ income.**

~~\_\_\_\_\_ (a) \_\_\_\_\_ The city manager is hereby appointed to administer the system of tax credits by reason of disability.~~

~~\_\_\_\_\_ (b) \_\_\_\_\_ The city manager is hereby authorized to promulgate additional rules and regulations which may be necessary for the efficient administration of tax credit by reason of disability; provided, that such regulations shall comply with the provisions of this section.~~

\_\_\_\_ (c) \_\_\_\_ There shall be allowed a single tax credit upon the application of any person who actually resides in a dwelling in which such person has a corporeal interest in the nature of a life estate or perpetual use contract in a housing cooperative, or as sole owner, joint tenant, tenants in common or tenants by the entirety, who has not attained the age of sixty (60) years on or before the first day of the fiscal year for which taxes are payable and who receives benefits as a result of a finding of permanent and total disability under the social security and railroad retirement acts or any retirement or pension program provided by a government within the United States, and whose gross income, or whose combined gross income, as the case may be, shall not be in excess of seven thousand five hundred dollars (\$7,500.00) for the calendar year immediately preceding the fiscal year of application. The credit shall apply to the city real estate taxes upon the dwelling for which application for tax credit is made. The tax credit shall be equal to the assessed value of the dwelling up to a maximum of seven thousand dollars (\$7,000.00) multiplied by the applicable city tax rate.

\_\_\_\_ (d) \_\_\_\_ For purposes of determining eligibility, "gross income" or "combined gross income" shall mean total income from all sources for the calendar year immediately preceding the taxable year whether or not included in the definitions of gross income for federal or state tax purposes, including but not limited to benefits under the Social Security Act or Railroad Retirement Act as these acts may be amended from time to time, gifts in excess of three hundred dollars (\$300.00), alimony, support money, non-taxable strike benefits, public assistance received in cash grants, pensions or annuities, unemployment insurance benefits, and workman's compensation benefits, as well as the net income received from business, rental or other endeavors.

\_\_\_\_ (e) \_\_\_\_ The city finance office shall provide and keep on hand application forms for tax credits by reason of disability. The application shall be made under oath or affirmation and elicit such information as will enable the city treasurer or his representative to determine whether the applicant qualifies as a homeowner whose gross income complies with the standards as enumerated in subsection (c) above. The applicant shall be notified in writing whether his application is approved or not. In the event the city treasurer or his agent determines that the application does not qualify the applicant for the tax credit, the reason for his failure to qualify shall be stated. Any applicant who does not qualify shall have the right of appealing the decision of the city treasurer if he gives notice of his appeal within thirty (30) days after receipt of the notice of nonqualification. The appeal shall be directed to the city council, and if not made within thirty (30) days, shall be deemed to have been waived.

\_\_\_\_ (f) \_\_\_\_ The applicant shall not be required to apply in person, but such application shall be made to the city treasurer's office prior to the payment of taxes for the taxable year for which the credit is sought. No credit shall be allowed if the applicant applies after payment of taxes, unless a waiver is approved by the city manager. Each tax year shall be considered separately and a new application shall be filed each year by the homeowner. It is the intent of this section that any tax credit granted under the provisions of this section shall be personal in nature and shall not transfer to any new owner of the property unless such owner can qualify for such tax credit under the provisions of this section.

\_\_\_\_ (a) \_\_\_\_ A homeowners' property tax credit shall be allowed against the city property tax imposed on residential real property if the owner qualifies for the credit under this section.

\_\_\_\_ (b) \_\_\_\_ The city manager or his/her designee is hereby appointed to administer a tax credit by reason of income and is further authorized to promulgate additional rules and regulations that may be necessary for the efficient administration of the tax credit by reason of income, provided that such regulations shall comply with the provisions of this section.

(c) The city shall provide to eligible homeowners a property tax credit as provided in this section to supplement the state homeowners' property tax credit granted under section 9-104 of the Tax-Property Article of the of the Annotated Code of Maryland, as amended or recodified from time to time.

(d) Except as otherwise expressly stated in this section, all eligibility requirements, statutory definitions, restrictions, application or other procedures that apply to said state homeowners' property tax credit program shall also apply to the city homeowners' property tax credit provided for in this section.

(e) The amount of the homeowner's property tax credit for a given year shall be twenty-five (25) percent of the amount of the state homeowners' property tax credit.

(f) Notwithstanding the foregoing, the amount of the local supplement to the homeowners' tax credit authorized by this section shall not exceed the total city real property tax liability of the eligible homeowner for the taxable year in which the homeowners' tax credit local supplement is sought.

(g) A person who knowingly submits a false or fraudulent application or who withholds information to obtain tax credit under this section has committed a misdemeanor. In addition, the person must repay the city for all amounts credited and all accrued interest and penalties that would apply to those amounts as overdue taxes. The city may enforce this subsection by appropriate legal action. A person who violates this subsection is liable for all court costs and expenses of the city in any civil action brought by the city against the violator.

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BE IT FURTHER ORDAINED that this ordinance shall be effective immediately upon its passage.

PASSED by the Council of the City of Greenbelt, Maryland, at its regular meeting of December 10, 2007.

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Judith F. Davis, Mayor

ATTEST:

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David E. Moran, Acting City Clerk

Key:

Underscoring indicates language added to existing law.

~~Overstriking~~ indicates language deleted from existing law.

Asterisks \*\*\* indicate intervening existing Code provisions that remain unchanged.